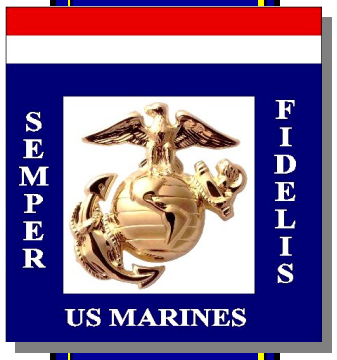
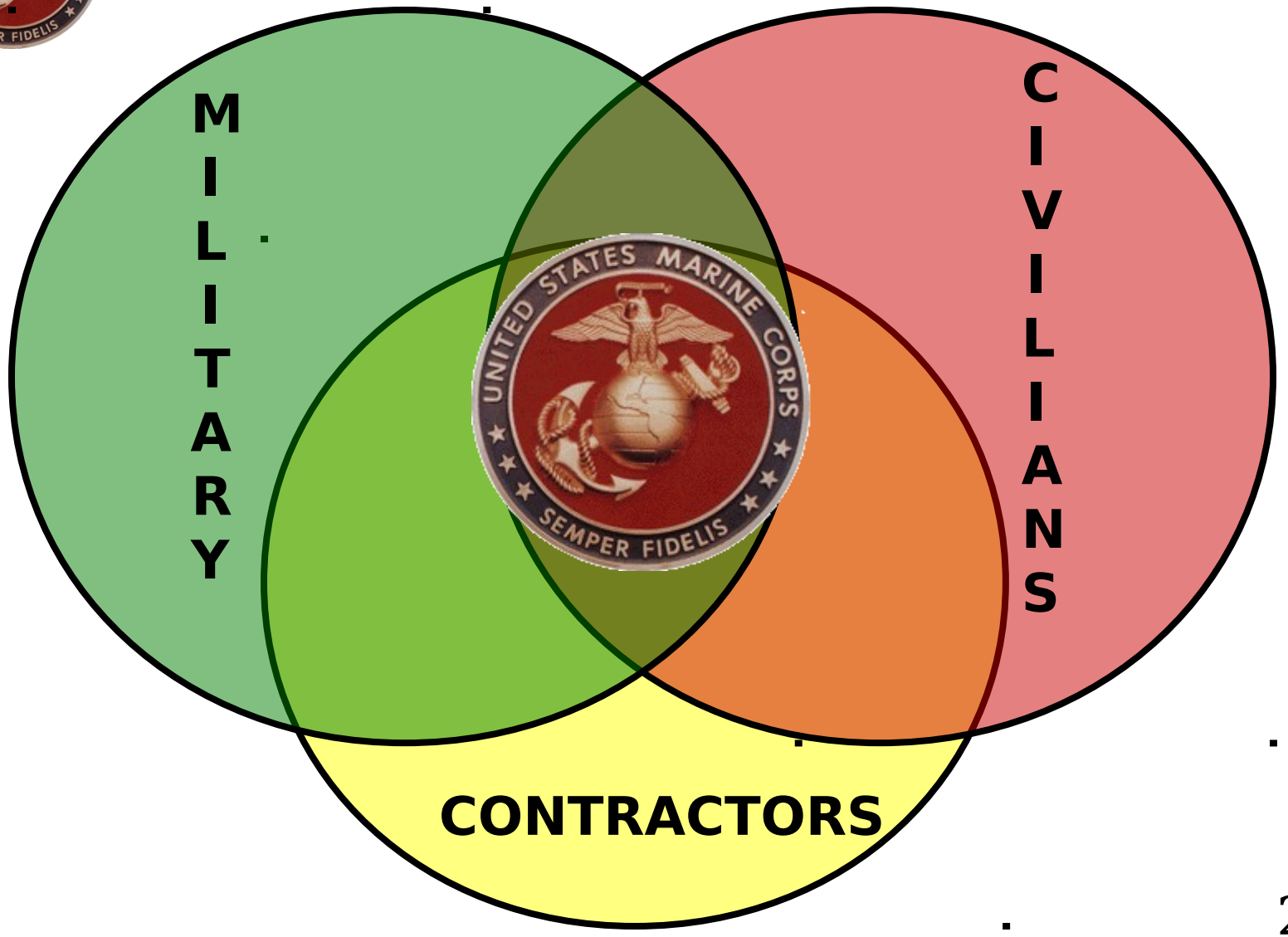


2004 Senior Financial Management Seminar

Mr. Mike Rhodes
Assistant Deputy Commandant for Manpower and Reserve Affairs

“Total Force”



Military-Civilian Conversions

Bottom line

- Return Marines to the Operating Forces
- USMC required to execute an additional 1,372 Military-Civilian conversions in FY05
- Pulling Competitive Sourcing Working Group (CSWG), Inherently Governmental/Commercial Activities (IGCA) Coding, and Mil-Civ Conversions Working Group into a strategic “plan”

Background

- DoD goal 10,000 conversions FY04 & FY05
- PBD 712: USMC = 2,029 conversions for FY04
  - 1,372 new conversions (defer FY05)
  - 647 currently planned (A-76, NMCI, HQMC, SYSCOM)

Concurrent Actions

- NAS - admin billets study
- Fleet Assistance Program
- CSWG
- NAS – supply billet study

Plan of Action

- Mil-Civ Conversion Working Group
  - Charter – ACMC signed
  - Data Call – 1 Mar
  - Data Analysis – Mar/Apr
  - WG meeting – Apr 26-28
  - Conference – May 4-6
  - MROC – May/June
- MROC oversight/approval
- Mil-Civ Conversion Processes
- Stakeholders/Advocates/OCCFld Sponsors
  - MARFOR, HQMC, LOGCOM, SYSCOM, MCCDC, MCRC

Charter

Signed by ACMC Feb 04

- Guidance
  - Optimize human resources (Marines/Civilians/Contract)
  - Utilize framework from previous studies (CSWG)
  - Return maximum number of Marines (logical/supportable)
  - Incorporate IGCA Code review
- Products
  - Short range plan – 1,372 FY04/FY05
  - Long range plan – FY06 and beyond Plans
- MROC approval of short range plan May/June 04

What is IGCA Inventory?

- **DoD directed* coding of all authorized manpower (active, reserve, and civilian)**
  - **Function**
  - **Manpower mix criteria**
    - **Inherently Governmental**
    - **Exempt from competition**
    - **Subject to review for divestiture or private sector performance**

***in compliance with Federal Agency Inventory Reform (FAIR) Act**

IG/CA "Results"

	Current (FY-03) Submission					FY-02 Submission			
Criteria Code	**Active**	**Reserve**	**Civilian**	**For Natl**		**Active**	**Reserve**	**Civilian**	**For Natl**
A - Military Operations	118,007	34,663				113,696	34,929		
B - Mil Spt Elements in Op Forces									
C - Civ Spt Elements in Op Forces									
D - Mil/Civ Wartime Designation	4,215					8,343		29	
E - Civilian Authority Direction & Control	180		3,217					2,715	
F - Military Unique Knowledge & Skills	8,781	135				15,089	376		
G - Esprit de Corps & Miltary Support	3,584		2,201			961		20	
H - Continuity of Infrastructure Ops	77							3,319	
I - Mil Augmentation of Infrastructure		2,314					2,429		
J - Civilian and Military Rotation	1,299					2,025		149	
K - Civ and Mil Career Progression	2,922					3,256			
L - Law, EO or Treaty			743	3,241				775	3,288
M - DoD Management Decision									
P - Pending Restructuring	1,900							84	
R - Subject to Review for Competition	2,966		7,418					8,576	
W - Non-Packageable Commercial Actvy			589						
X - Alternatives to A-76									
Total	**143,931**	**37,112**	**14,168**	**3,241**		**143,370**	**37,734**	**15,667**	**3,288**
Grand Total	**198,452**					**200,059**			

CWSG

- Chartered April 03 – Develop a strategic approach to competitive sourcing that's right for the Corps'
  - Return Marines to the operating forces
  - Operate the Supporting Establishment in the most efficient and effective manner
- MID-907 requires USMC to compete 3,000 FTEs

CSWG Approach

- Use core concepts to review manpower mix
- Define core functions/processes
- Define non-core, commercial processes
- Assess risks
- Identify competition/conversion candidates

CSWG Competition "Candidates"

I&L Processes: (3905 FTEs)

- Supply Services (1684)
  - Retail Supply Ops/DSSCs (1053)
  - Storage & Warehousing (283)
  - Fuels Storage & Dist (235)
  - Military Clothing (113)
- Transportation (693)
- Laundry Services (29)
- Utilities (282)
- Base Ops & Facilities O&M (re-competitions) (1217)

All Other Processes:

- Telephone Systems (C4)
  - 249 FTEs
- EAP Maint (MCCDC)
  - 40 FTEs

Each COA includes different mix /numbers of candidates. Total number of Marines in all these processes is about 1,200.

FTE = full time equivalent = one full time Marine or civilian.

CSWG Realignment "Candidates"

I&L Processes: (1023 FTEs)

- **Personnel Effects (488)**
- **Deployed Support (100)**
- **PP&P (250)**
- **CIF (125)**
- **Secondary Repairables (100)**

Non-IL processes

- **M&RA (1018 FTEs)**
  - **Personnel support (436)**
  - **Admin/CONAD (547)**
  - **MCCS (35)**
- **MISC - Cat III FAPS**
  - **977 FTEs**

The processes on this chart include about 3,000 Marines, which are in are in addition to 1,200 Marines included in competition candidates on previous slide.

COA Summary*

	COA 1	COA 2	COA 3
# Marines Realigned	300	900	4,200
# Civilian Competitions	2,600	2,800	2,900
Net Sustained Cash Flow (Savings begin in FY 08, sustained savings are reached in FY 12)	+$20M	$0M**	-$170M

*** Numbers are approximate. Actuals will depend on detailed implementation plan TBD in coordinated with chain of command and on execution results.**

**** Savings break even with costs in FY 12. Over the 6-year POM period an investment of as much as $40M is required to achieve COA.**

CSWG – Mil-Civ WG Interface

- Near-term (FY04/FY05) Convert 1,372 Marines -- primarily with FTE conversions
  - Standard A-76 18-24 months
- Out-year: COA2 + new initiatives
  - Identify competition candidates
  - Compete viable commercial functions
    - Larger functions with civilian component
  - Civ sub – govt &suboptimal commercial functions

Military-Civilian Conversions

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Workforce Demographics

- **Total Civil Service Employment***
  - DoD..... 661,879
  - USMC..... 13,594
- **SES Positions***
  - DoD..... 1,158
  - USMC..... 15
- **GS-14/15***
  - DoD..... 26,139
  - USMC..... 335

*U.S. Citizen/Appropriated Fund (APF)

Civilians as Compared to Active Duty

–DoD/Other Services – 1 Civilian for Every 2 Active Duty

–USMC – 1 Civilian Marine for Every 13 Marines

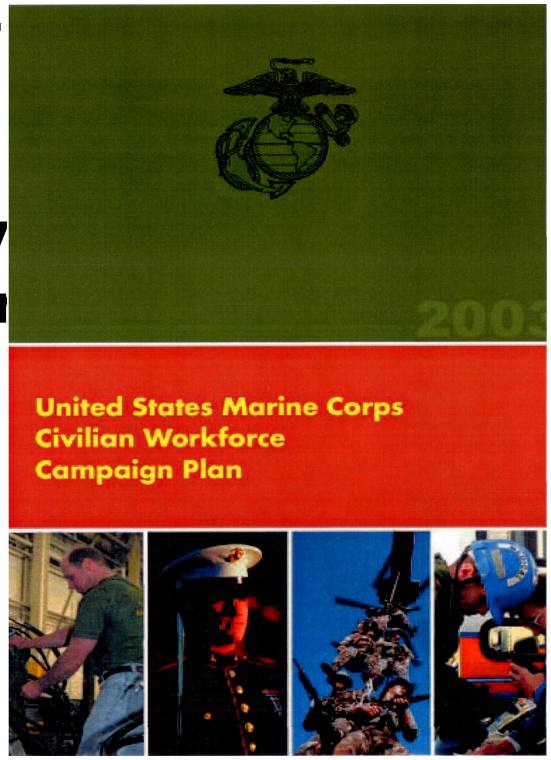
Leadership Commitment

Our vision is to make the Marine Corps the employer of choice for a select group of civilians imbued with the Marine Corps values of honor, courage, and commitment. Through implementation of the Civilian Workforce Campaign Plan, we will not only define what the Marine Corps will offer its Civilian Marines, but what the Corps expects from them.

Gen M. W. Hagee, February 10, 2004 Senate Armed Service Committee

Civilian Workforce Campaign Plan

- **Enhanced management of Civilian Marine workforce**
  - ✓ **Marine Corps = "Employer of Choice."**
- **Campaign Plan**
  - ✓ **Acculturate and imbue Marine Corps v**
  - ✓ **Nurture, build, and grow Civilian Mari**
  - ✓ **Provide flexible career opportunities**
  - ✓ **Create leaders at all levels**
- **Civilian Marines - Phases**
  - ✓ **Recruit**
  - ✓ **Acculturate**
  - ✓ **Retain / Refresh**
  - ✓ **Separate / Celebrate**

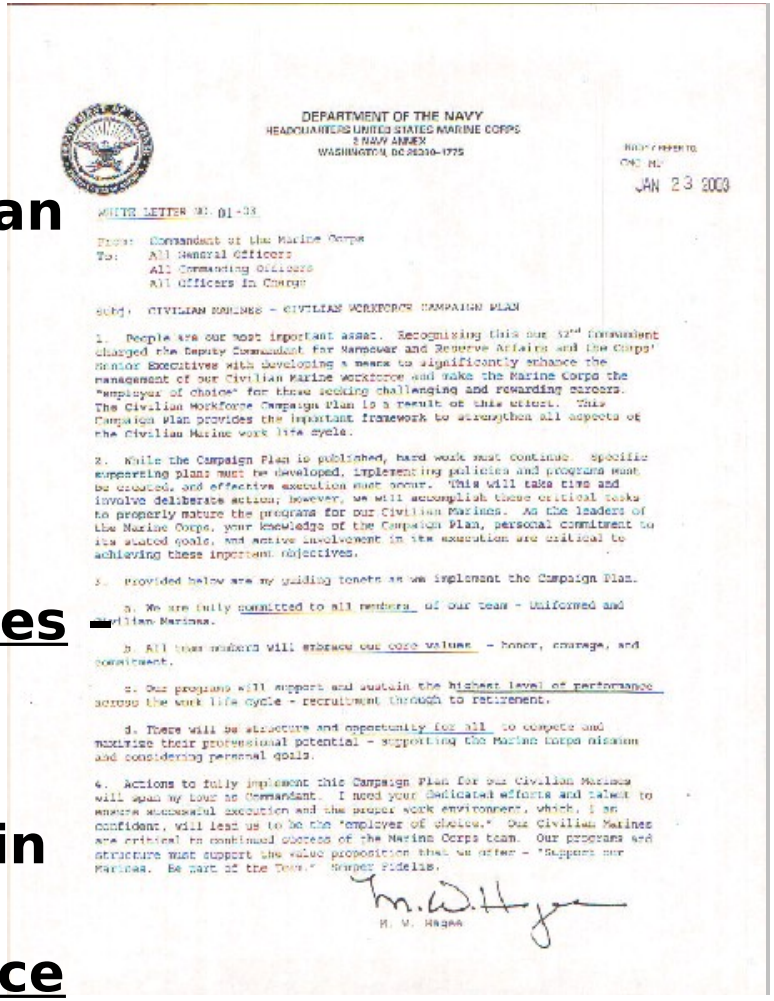


"Support our Marines. Be part of the Team."

CMC White Letter, Jan 27, 2003

- **White Letter No. 01-03**
  Subject: Civilian Marines – Civilian Workforce Campaign Plan

- **Guiding Tenets:**
  - **Committed to all members – Uniformed and Civilian**
  - **All will embrace our core values – honor, courage, and commitment**
  - **Programs will support / sustain the highest level of performance**
  - **There will be opportunity for all**



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
3 NAVY ANNEX
WASHINGTON, DC 20380-1775

IN REPLY REFER TO:
CMC NO:

JAN 23 2003

WHITE LETTER NO: 01-03

From: Commandant of the Marine Corps
To: All General Officers
All Commanding Officers
All Officers in Charge

Subj: CIVILIAN MARINES - CIVILIAN WORKFORCE CAMPAIGN PLAN

1. People are our most important asset. Recognizing this our 32nd Commandant charged the Deputy Commandant for Manpower and Reserve Affairs and the Corps' Senior Executives with developing a means to significantly enhance the management of our Civilian Marine workforce and make the Marine Corps the "employer of choice" for those seeking challenging and rewarding careers. The Civilian Workforce Campaign Plan is a result of this effort. This Campaign Plan provides the important framework to strengthen all aspects of the Civilian Marine work life cycle.

2. While the Campaign Plan is published, hard work must continue. Specific supporting plans must be developed, implementing policies and programs must be created, and effective execution must occur. This will take time and involve deliberate action; however, we will accomplish these critical tasks to properly mature the programs for our Civilian Marines. As the leaders of the Marine Corps, your knowledge of the Campaign Plan, personal commitment to its stated goals, and active involvement in the execution are critical to achieving these important objectives.

3. Provided below are my guiding tenets as we implement the Campaign Plan.

a. We are fully committed to all members of our team - Uniformed and Civilian Marines.

b. All team members will embrace our core values - honor, courage, and commitment.

c. Our programs will support and sustain the highest level of performance across the work life cycle - recruitment through to retirement.

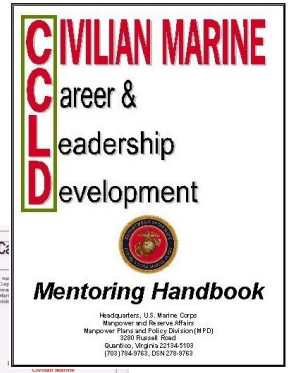
d. There will be structure and opportunity for all to compete and maximize their professional potential - supporting the Marine Corps mission and considering personal goals.

4. Actions to fully implement this Campaign Plan for our Civilian Marines will span my tour as Commandant. I need your dedicated efforts and talent to ensure successful execution and the proper work environment, which, I am confident, will lead us to be the "employer of choice." Our Civilian Marines are critical to continued success of the Marine Corps team. Our programs and structure must support the value proposition that we offer - "Support our Marines. Be part of the Team." Semper Fidelis.

M. W. HAGEE

USMC Initiatives

- 21 Communities of Interest (COIs)
- Leadership Development
- Mentoring Program
- Quarterly Newsletter
- USMC Civilian Service Pin
- Supervisor Training (in 6 months)
- Supervisor Reference Guide
- Employee Acculturation (in 6 mo
- Civilian Marines website (Winter



https://lnweb1.manpower.usmc.mil/CCLD/index.htm

COI Contacts

Community of Interest	COI Leader	COI Manager	MPC POC
1. Engineering & Science	Robert Hobart	Robert Hobart	Ahmad P. Moore
2. Acquisition Program Mgmt	Barry Dillon	Richard Bates	Ahmad P. Moore
3. IT Management	Debra Filippi	Chris Cannavaro	Tony Torres-Ramos
4. Logistics	Carla Liberatore	Susan Kinney	Anthony Parrish
5. Education & Training	Michael Bailey	Dr. Larry Blevins	Dollie McCormick
6. Contracts	Michael Mutty	Kathy Luhmann	Anthony Parrish
7. Human Resources	Michael Rhodes	Ann Marie Khinoo	Dollie McCormick
8. Financial	Charles Cook	James Polzin	Ahmad P. Moore
9. Legal	Peter Murphy	Bryan Wood	Anthony Parrish
10. Facilities	Paul Hubbell	Steve Vines	Anthony Parrish
11. Environmental	Paul Hubbell	Craig Sakai	Anthony Parrish
12. Administration	Al Washington	William Catsonis	Dollie McCormick
13. Community Support	Michael Downs	Janet Jaeger/Maureen Jillisky	Dollie McCormick
14. Analysts	Joseph Masciarelli	Vacant	Ahmad P. Moore
15. Intelligence	Michael Decker	Karin Dolan	Ahmad P. Moore
16. Federal Wage System	Robert Trammell	Gilbert Ward	Tony Torres-Ramos
17. Manufacturing & Production	Robert Trammell	Sandra Lemke	Tony Torres-Ramos
18. Medical	Al Washington	William Catsonis	Dollie McCormick
19. Security & Law Enforcement	Raymond Geoffroy	Steve Reese	Tony Torres-Ramos
20. Media & Public Relations	Al Washington	William Catsonis	Dollie McCormick
21. Safety & Occupational Health	Albert Lillibridge	Michael Thompson	Tony Torres-Ramos

Leadership Development

Program	Grades*	# Applicants	# Selected
USDAGS New Leader	GS 7-11	70	20
USDA Mid-level Exec LDP	GS 11-13	21	15
DoD Exec LDP	GS 12-13	16	6
Legislative Programs	GS 13-15	2	1
USDA Exec Potential	GS 13-15	4	3
DLAMP Class of 2002	GS 13-15	4	4
MIT Seminar XXI (DC Metro only)	GS 14-15	4	4

HQ funds Tuition, Travel and Per Diem (except DLAMP)

(*) *Grades refer to GS and equivalents*

National Security Personnel System

- November 26, 2003
- National Defense Authorization Act (P.L. 108-136) provides for the National Security Personnel System (NSPS)

Why?

- DoD Mission Demands Agility
  - Increased Efficiency and Effectiveness
  - Quick and Decisive Action
- Transformational Change Needed
  - Broad range solutions vs. “Quick fixes”
- Performance is key
  - Compensation, rewards, promotions, and discipline based on performance
- Enhance DoD’s ability to use civilian personnel to accomplish its mission

Features / Tools

Pay Banding

- Career groups and pay banding
- Facilitates pay progression
- Provides for access to higher range of basic pay
- Permits more competitive recruitment of quality candidates at differing rates
- Accommodates broad range of occupations and missions
- Creates assignment flexibility

Other Flexibilities

- VERA and VSIP
- Highly Qualified Experts
- Reemployed Annuitants
- Student Loan Repayment

Recent DoD Action

- SecDef directed a 3-week strategic review of NSPS
- Six integrated teams formed with broad DoD, OPM & OMB participation and briefings by DHS and GAO:
  - OIPT
  - Requirements
  - Personnel
  - Process
  - Program
  - Communications
- “Where are we” letter to all civilian employees

Way Ahead

- Full partnership with OPM
- Mission-first but also employee-centric with broad collaboration
- Administrative Procedures Act (APA) for implementation of regulations
- Defense Acquisition Management model with spiral implementation approach
- DoD Governance through Senior Executive and OIPT
- Aggressive but event-driven schedules
- Communicate, communicate, communicate

Summary

- Revised design and implementation process started
- Meets full intent of Congress
- Full partnership with OPM
- Involvement of all stakeholders
- Event driven

For more information…

- NSPS website (www.cpms.osd.mil/nsps)
  - Central repository for NSPS info
  - 443,000 hits since Dec 1
  - 650 comments/feedback since Dec 1

NSPS
National Security Personnel System
Home
About NSPS
Overview
NSPS Labor Relations
What's New
Press Room
FAQs
Contact Us
DefenseLink
What's New!
National Security Personnel System (NSPS) - Click Here For More...
New DoD Program to Attract Highly Qualified Experts
A new DoD policy was unveiled to attract experts with state-of-the-art knowledge in fields of importance to the department's mission. This new policy provides DoD with the ability to attract
Welcome to the National Security Personnel System (NSPS) homepage, the official Department of Defense (DoD) website for information about NSPS.
With the passage of the 2004 National Defense Authorization Act, the Department was given authority to establish a new human resources management system for DoD civilians, known as the National Security Personnel System. In other words, we will create a new framework of rules, regulations, and processes — rooted in the principles of flexibility and fairness — that govern the way civilians are hired, compensated, promoted, and disciplined in DoD. This legislation was necessary to replace outdated and rigid civil service rules that hindered the Department's ability to carry out its national security mission, and to recognize the critical role that the hardworking, dedicated DoD civilian workforce plays in that mission.
The Department is currently in the process of designing NSPS, so the specific elements of the system have yet to be finalized. However, the system will adhere to the traditional merit principles, respect the right of employees to bargain collectively, and accommodate veterans' preference, and the design process will include input from and collaboration with employee representatives.
In the coming days we will be updating this site to provide you with more information on NSPS and its implementation. Thank you for your interest.
News and Information
Nov. 24, 2003, Washington, DC — Bush Signs Authorization Act During Pentagon Ceremony: "This bill also advances the vital work of transforming the personnel system for civilian defense workers so we can put the right person in the right job to meet the challenges we face," he said. To read the full story, click here.
"The bill (fiscal year 2004 National Defense Authorization Act) allows the Defense Department to set up a National Security Personnel System for the civilian workforce, and represents the most significant improvement to civilian personnel management since the Civil Service Reform Act of 25 years ago. These reforms will provide senior managers greater flexibility in managing our dedicated civil service, empower them to compete for high quality talent, offer compensation competitive with the private sector, and reward outstanding service. It will build greater pride in the civilian workforce and attract a new generation of civilians to public service."
Secretary of Defense Rumsfeld
November 7, 2003
PRINTER-FRIENDLY VERSION